

## ***Downpayment Assistance Program***

The goal of the Downpayment Assistance Program is to increase the homeownership rate among low to moderate income families. The Downpayment Assistance Program will help first-time homebuyers with the biggest hurdle to homeownership; the downpayment.



### **HOUSING COUNSELING AGENCY**

Family Services Center, Inc.  
600 St. Clair Avenue Bldg. 3  
Huntsville, AL 35801  
Contact Person: Dave Dougherty  
(256) 551-1610

ALL PROPERTIES MUST PASS A HOUSING  
MAINTENANCE INSPECTION ADMINISTERED BY A  
COMMUNITY DEVELOPMENT HOUSING SPECIALIST

All program materials can be made available for  
non-English speaking person upon request..

*Todos los materiales del programa se pueden  
hacer disponibles para la persona no hispanoh  
ablante a petición.*

### **City of Huntsville Department of Community Development**

120 Holmes Avenue  
P.O. Box 308  
Huntsville, AL 35804

Turkessa Coleman Lacey  
Phone: 256-427-5418  
E-mail: [turkessa.coleman@huntsvilleal.com](mailto:turkessa.coleman@huntsvilleal.com)  
or  
Scott Erwin  
Phone: 256-427-5423  
Email: [scott.ewrin@huntsvilleal.gov](mailto:scott.ewrin@huntsvilleal.gov)

**City of Huntsville  
Department of  
Community Development**

## **DOWNPAYMENT ASSISTANCE PROGRAM**



---

**Michelle G. Jordan, AICP  
Director of Community Development  
120 E. Holmes Avenue  
P.O. Box 308  
Huntsville, AL 35804**

# DOWNPAYMENT ASSISTANCE PROGRAM (DAP)

## REQUIREMENTS

### Downpayment Assistance

Assistance will be provided at the time of the loan closing. The DAP assistance is used exclusively for downpayment and closing cost. Only half of the assistance can be used for closing cost, e.g. assistance in the amount of \$5,000 yields a closing cost cap of \$2,500.

The selected property must be your primary residence and must be a first-time homebuyer.

The downpayment assistance is a 0% interest deferred loan with no monthly payments. The loan is gradually forgiven by 20% per year and is totally forgiven after the buyer has lived in the home for a total of five (5) years. A mortgage will be placed against the property.

### Eligibility Requirements

To be eligible, a participant must:

- Must be a first-time homebuyer.
- Complete a free homebuyer education course.
- Have \$500 in a personal savings account for home maintenance prior to loan closing.
- Purchase a home within the Huntsville city limits (*including areas annexed by the City of Huntsville*).
- Purchase a home with a sales price not to exceed \$150,000.
- Have an income at or below 80% of the area's median income based on family size as defined by the Department of Housing and Urban Development.
- You must occupy the property—it cannot be used for business, commercial or rental purposes.
- You must meet lender standards for creditworthiness with maximum qualifying ratios of 31/43.

### HUD Income Limits

Family Size	Annual Income
1	\$39,700
2	\$45,350
3	\$51,000
4	\$56,650
5	\$61,200
6	\$65,750
7	\$70,250
8	\$74,800

